

**THE 2010-2011 BIENNIAL GENERAL FUND BUDGET**  
**As Revised By Additional Revenue Reprojections Downward by \$569 Million**

Prepared by

**The Office of the Senate President**  
**Senator Bill Diamond**  
**Senator Margaret Craven**

**May 19, 2009**

**The 2010-2011 Biennial General Fund Budget  
And The Shortfall for FY 2009**

**To Include the Additional \$569 Million Downward Reprojection in Revenues**

- **The Governor's Most Recently Revised General Fund Budget addresses a \$1.4 billion loss of revenues over a three-year period for FY 2009, FY 2010, and FY 2011.**
- **The Governor's Original General Fund Budget for the FY 2010 and FY 2011 Biennium [July 1, 2009 through June 30, 2011] addressed an \$800 million funding hole.**
- **On April 28, 2009, however, the Revenue Forecasting Committee reprojected revenues downward by an additional \$569 million as follows:**
  - **An Additional loss of \$129.3 million in FY 2009**
  - **An additional loss of \$443.7 million FY 2010 and FY 2011**
- **As a result of the reprojected loss of state revenues, revenues projected for the 2010-2011 will be roughly the same as the revenues for the 2004-2005 Biennium, unless additional revenues, such as federal stimulus funds, are included in the budget.**
- **The Governor's original General Fund Budget for the FY 2010 and FY 2010 Biennium was \$6.1 billion. Now the Biennial Budget is expected to be \$5.8 billion -\$500 million less than the actual costs of current state programs with no new programs or program expansions.**
- **This budget totals the same amount as the 2006-2007 Budget.**

- **The 2010-2011 Biennial General Fund Budget reduces the number of state employees by 306, thereby reducing the state employee workforce to the same level as it was in 1983.**
  
- **Traditionally, K-12 Education, Higher Education, and health and human service programs have composed 80% of the budget. When public safety, law enforcement, debt service, the Judiciary, and the Legislature are included, the percentage increases to 93.2 percent.**

Table A

**Major Components of the General Fund Budget**

- ❖ Traditionally, K-12 Education, higher education, and health and human service programs have composed 80% of the budget. When public safety, the Judiciary, law enforcement, debt service, and the Legislature are included, the highest priorities comprise 93.2% of the Two-Year Budget..

<u>Priority</u>	<u>% of 2-Year General Fund Budget</u>
• K – 12 Education–	39.86%
• Higher Education	8.92%
• Health and Social Service programs	<u>29.9%</u>
<b>Subtotal</b>	<b>78.68%</b>
• Public Safety, Justice, and Law Enforcement	9.5%
• Debt Service	4.0%
• Maine State Legislature [Includes Law Library & other entities]	0.97%
• Rest of State Government	6.8%

This budget proposes to address the \$1.4 billion hole including the \$569 million revenue hole by a combination of program cuts, fee increases, federal stimulus funds, reserve funds, and some tax law changes – but no tax increases. Some of the measures in the two year budget include:

**Table A.**

<b>Selected Measures to Address the \$1.4 Billion Shortfall for FY 2009, FY 2010, &amp; FY 2011</b>	<b><u>Biennial Amount</u></b>
➤ <b>Total Net Cuts, Reductions, Savings in the Biennial Budget – Includes FY 2009</b>	<b>\$581,754,096</b>
➤ Federal Stimulus Funds	\$409,790,541
➤ Budget Stabilization & Working Capital Reserve Funds of the State	\$116,000,000
➤ Savings from Initiatives impacting State Employees -[health insurance, 10 shutdown days, No Merits]	\$ 33,809,984
➤ Savings impacting Higher Education	\$ 6,000,000
➤ Tax rate changes & Revenue Recovery	\$118,756,688
➤ Changes to Revenue Sharing – Savings	\$ 34,000,000
➤ Increased fees for licenses and permits Inland Fisheries & Wildlife, Conservation, & Marine Resources	\$ 5,135,772
➤ Transfer from the Clean Election Fund	\$ 2,200,000
➤ Transfer from the Community College System [over assessment for Retiree health]	\$ 2,200,000
➤ Increase in the attrition rate from 1.6% to 5% for state employees	\$ 20,011,017
➤ Appropriations Committee to Recommend Streamlining of State programs and service delivery	\$ 30,000,000

- **No new taxes are levied and no broad-based taxes are increased.** Some of the tax proposals include tax law changes, which increase revenues as shown below.

<u><b>Tax Proposals</b></u>	<u><b>Biennial Amount</b></u>
▪ Smokeless tobacco [tax law change – Rate Changed from wholesale price to tax on weight]	\$ 3,073,496
▪ Estate Tax [Retention of the current tax. 1-yr gift tax clawback, 1-yr. state final determination]	\$31,973,781
▪ Historic Rehabilitation Tax [deferred]	\$ 477,000
▪ Telecommunications Tax [keeps current mill rate]	\$ 3,069,362
▪ Tree Growth Tax [15% Funding Reduction]	\$ 1,815,000
▪ Circuit Breaker [20% Funding Reduction]	\$17,413,504
▪ Homestead Valuation Exemption Reduction - Reduced from \$13,000 to \$10,000 in FY 2011	\$ 6,897,042
▪ Tax Change for Out-of-State Based firms- Allocation of Sales of tangible personal property	\$ 5,020,425
▪ Reduced level of Income Tax Indexing[ <b>Governor proposed \$31.8 million of savings/Reduced by \$18 million</b> ]	\$13,000,000
▪ No Net operating Loss in FY 2010 & 2011	\$16,607,500
▪ Decouple from Federal Standard Deduction [ <b>Removed from the Budget/would have increased revenues \$13.8m</b> ]	
▪ Enhanced collections of tax Receivables	\$14,646,249
▪ Financial Institution Data Matching [Discovery of assets of defaulting taxpayers in other financial institutions]	\$ 4,763,329

### Selected Restorations of Funding For General Fund Programs

<u>Item</u>	<u>Amount Over the Biennium</u>
General Purpose Aid to Education*	\$45,000,000 [FY 2009 & FY 2010 only]
Teacher Retirement	\$27,000,000
Adult Education	\$ 960,000
Family Planning	\$ 600,000
Mental Retardation Waiver – Residential	\$ 600,000
Children’s Private Non-Medical Institutions	\$ 9,000,000+ or –
Unorganized Territory – Education Fund	\$ 1,064,000
Health Infonet	\$ 1,000,000
Judicial Branch – Court Restoration debt service	\$ 683,199
Corrections Board	\$ 3,500,000
Marine Resources – 3 Marine biologists [Protect shellfish areas]	\$ 270,000
Purchase of swine-flu anti virals	\$ 2,175,000

## Major Provisions of the Budget Governing Criminal Justice – Corrections

The Criminal Justice Committee developed additional savings to offset the cuts in the Governor's original Corrections Budget. The General Fund Budget for Corrections:

- Does **not** close any prison units or facilities
- Does **not** double cell prisoners at the Maine State Prison
- Does **not** send any prisoners out of state
- Provides an additional \$3.5 million to the Board of Corrections, a \$3.5 million reduction from the Board's request,
- Provides \$2.13 million for 15 additional Correctional officers,
- Designates 3 jails, Franklin, Oxford, and Piscataquis Jails, as 72 hour or short-term holding facilities, and
- Designates Waldo County Jail as a short-term holding and reentry facility.

---

### Higher Education – Funding Reductions

	<u>FY 2010</u>	<u>FY 2011</u>
University of Maine System	\$2,000,000	\$2,000,000
Community College System	\$ 785,000	\$ 785,000
Maine Maritime Academy	\$ 144,000	\$ 144,000

- This budget provides funding from federal stimulus funds to create the Graduate School of Biomedical Science and to fund the Doctors for Maine's Future Scholarship Fund.

---

### Veterans

- **Tuition Assistance.** This budget provides \$320,000 over the biennium for tuition assistance for veterans
- **Veterans – Retirement.** One-time funds are provided to subsidize the purchase of military service credit for two members who applied and are eligible to purchase service credit time. Funding comes from the Governor's Training Initiative.

- **Medical Care Transportation.** Funding is provided to transport veterans needing medical care. Funding come from the elimination of a Clerk IV position in the Gambling Control Board.

---

### **Municipalities**

- **Code Enforcement Officers.** The State Planning office will provide basic code enforcement training to code enforcement officers at no charge to the code enforcement officers, municipalities or the General Fund. Training will be scaled back for training and certification in court procedures. Training may be suspended or reduced if plumbing and building fees are temporarily insufficient to support the training. In this case, the Planning Office could extend code enforcement officers' certification for 12 months.
- **Revenue Sharing.** Revenue Sharing is restructured to remove funding the BETR program and Circuit Breaker from income tax revenues. As a result, the Governor's proposal to reduce revenue sharing from 5.2% to 4.6% is eliminated. Revenue Sharing is established at 5.0% of total tax revenues. In addition, revenue sharing payments to municipalities will be made in the same month as revenue transfers are made to the Local Government Fund.

---

### **K-12 Educational Provisions in the 2001-2011 General Fund Budget**

- The Governor proposes to restores \$27.8 million to General Purpose Aid to local school districts in 2009 and \$46.8 million in FY 2010. These funds come from the federal Educational Stabilization Fund.

<b>General Purpose Aid:</b>	<b><u>FY 2009</u></b>	<b><u>FY 2010</u></b>	<b><u>FY 2011</u></b>
	<b>\$983,000,000</b>	<b>\$1,001,000,000</b>	<b>\$947,000,000</b>

- **Laptops.** Provides for and authorizes School Districts to use their technology accounts to purchase Apple laptops for all high school students at a reduced rate. Funding for technology is allocated within GPA, which provides \$272 per laptop, for which the cost to school districts is \$242.

- **Teacher Retirement.** The Appropriations Committee will review Teacher Retirement to determine whether it should be part of the Essential Programs and Services formula. Additional State funding of \$27 million for teacher retirement is provided in the budget. The State fully funds its share of Teacher Retirement for the 2010-2011 Biennium.
- **School Consolidation Penalties.** The penalties collected from schools that did not vote to consolidate will be kept in a separate account within GPA. The decision for the disposition of these penalty monies will not be made until after the November 2009 referendum vote on school consolidation.
  - If the referendum vote does not overturn school consolidation, the Commissioner of Education will make recommendations to the Committee on Education with respect to the disposition of the penalty monies.
  - If the referendum vote does overturn school consolidation, penalty monies would be returned to the school districts that paid the penalties. A vote to overturn consolidation would jeopardize the status of the consolidated school districts that would no longer legally exist.
- **Adult Education.** This budget restores \$960,000 of funding to Adult Education, which the Governor had cut by \$1.2 million. Most of the funding is targeted to the GED or high-school equivalency program.
- **Retired Teachers' Health Insurance.** This budget provides an additional \$3.25 million to fund increased retired teacher health insurance costs.
- **Unorganized Territory – Educational Funding.** Funding of \$1.064 million in the Unorganized Territory Education Fund at the end of FY 2009 will be made available to the Unorganized Territory in FY 2010 for educational purposes.

---

#### **Major Provisions of the 2010-2011 Biennial Budget Governing the Judicial Branch**

- **Establishes the Judicial Branch as a fiscally independent entity,** similar to the Legislature that gives the Chief Justice authority to prepare the budget of the Judicial Branch and the authority to transfer funds among judicial accounts. The budget of the Judicial Branch is subject to approval of the Legislature and Governor in the same manner as the budgets of the Executive and Legislative Branches.

- **Capital Repairs Account.** Establishes a non-lapsing “Other Special Revenues” account in the Judicial Branch to which up to \$300,000 may be deposited per fiscal year from fee revenues collected from fines to support capital expenses of the Judicial Branch.
- **Indigent Defense.** Provides for the funding of Indigent Defense expenditures at \$921,560 each year of the Biennium. The Judiciary will establish an Indigent Services Legal Commission to monitor and make recommendations regarding indigent defense. Indigent Defense is a separate line item in the Judicial Branch budget.
- **Court Houses.** Provides for the rehabilitation and construction of court houses in Dover-Foxcroft, Augusta [both Superior and District courts] and Machias. Increased Judicial fee revenues and the General Fund will be used to pay-off the revenue bonds.

-----  
**Provisions of the Budget That Impact State Employees**

- 10 shut-down days each Year of the Biennium for a **total of 20 shut-down days for non-emergency personnel**
- **Merit pay** for state employees is frozen each year
- **Longevity payments** are frozen each year.
- **State employees are required to contribute toward their health insurance. Creation of a new wellness program. In FY 2011 state employees can reduce the health insurance contributions they are required to make by participating in the wellness program**

\$30,000 and under – no contribution in FY 2010 --- 5% contribution in FY 2011 – opportunity to be reimbursed up to 100%

\$30,001 to \$79,999 – 5% contribution in FY 2010 --- 10% contribution in FY 2011- opportunity to be reimbursed up to 95%

\$80,000 + --10% contribution in FY 2010 --- 15% contribution in FY 2011- opportunity to be reimbursed up to 92.5%

- **The State Employee Health Insurance Commission will report back to the Appropriations Committee with respect to the results of the wellness program and the savings incurred.**

- **State Employee Retirement Incentive.** A retirement incentive of \$10,000 will be provided to each state employee who is eligible to retire, has reached normal retirement age, and is willing to participate in the retirement incentive program. The state will continue to pay health and dental insurance benefits for state employees who apply prior to July 1, 2011

**Annual Salary Groupings with Employee Count in the Executive Branch**

<u>Salary Grouping</u>	<u>Employee Count</u>	<u>Percent of Employees</u>	<u>Cum. Percent</u>
<\$10,000.00	379	2.86%	2.86%
\$10,000.00 - \$14,999.00	251	1.89%	4.76%
\$15,000.00 - \$24,999.00	619	4.67%	9.43%
\$25,000.00 - \$34,999.00	3471	26.20%	35.63%
\$35,000.00 - \$49,999.00	5531	41.75%	77.37%
\$50,000.00 - \$74,999.00	2638	19.91%	97.28%
\$75,000.00 - \$99,999.00	314	2.37%	99.65%
\$100,000.00 - \$149,999.00	36	0.27%	99.92%
>\$150,000.00	10	0.08%	100.00%
<b>Totals</b>	<b>13,249</b>	<b>100.00%</b>	

- From the data in this table, roughly 3,000 Executive Branch employees or 22.5% of the total number of Executive employees would experience the least pain with respect to employee health insurance. This assumes that half of the employees in the \$25,000 to \$34,999 income range are at \$30,000 or less. They can earn up to 100% of their health insurance premiums.
- Approximately 10,000 employees, or 75% of all Executive Branch employees [\$30,000 to \$79,999] would pay 10% of their health insurance premiums with the opportunity to earn up to half of the premium back in FY 2011. It is this group from which most of the overall savings are incurred, which includes 20 shutdown days, no merits, and no longevity pay.
- Those who feel the least pain are those at the top of their pay ranges, have no step increases available to them, and are not eligible for longevity pay. For those employees in this category earning \$30,000 or under and who participate in a wellness program, they could avoid health insurance premiums in FY 2011.

### Breakdown of the Provisions of the Budget That Impact State Employees

Initiative	Savings in FY 2010	Savings in FY 2011	Savings in 2010-11 Biennium
▪ Savings from 10 shutdown days each year for Non-emergency state employees.			
○ Executive Branch Employees	(\$6,410,000)	(\$6,410,000)	(\$12,820,000)
○ Legislative Employees	(\$ 545,155)	(\$ 545,155)	(\$ 1,090,310)
▪ Merit Pay freeze in each year			
○ Executive Employees	(\$3,151,944)	(\$6,303,888)	(\$9,455,832)
○ Legislative Employees	(\$ 375,899)	(\$ 668,318)	(\$1,090,310)
○ Judicial Employees	(\$ 300,000)	(\$ 600,000)	(\$ 900,000)
Longevity Pay freeze each year			
○ Executive Employees	(\$1,685,067)	(\$1,738,792)	(\$3,423,859)
○ Legislative Employees	(\$ 49,856)	(\$ 51,837)	(\$ 101,693)
○ Judicial Employees	(\$ 334,293)	(\$ 342,746)	(\$ 677,039)
<b><u>In FY 2010 –Health Insurance Contribution</u></b>			
\$30,000 and under – No Employee Contribution			
\$30,001 to \$79,999 – 5% Employee Contribution			
\$80,000+                      10% Employee Contribution			
○ Executive Branch Employees	(\$1,336,582)	(\$2,369,549)	(\$ 3,706,131)
○ Legislative Employees	(\$ 70,001)	(\$ 116,963)	(\$ 186,964)
○ Judicial	(\$ 141,350)	(\$ 241,780)	(\$ 383,130)
○ Legislators		(\$ 20,539)	(\$ 20,539)
<b>Total Savings</b>			(\$33,809,984)

## Health and Human Services

### Hospitals and Physicians

- **Hospital Settlements.** Provides for \$96.7 million of State funding for hospital settlements to be matched with \$276,300,000 in federal funds.
- **Critical Access Hospitals.** Increases State Medicaid funding to critical access hospitals from 101% of cost as provided in the Governor's original budget to 109% of cost, beginning July 1, 2009
- **Outpatient Providers.** Reduces State Medicaid reimbursement to hospitals for **out-patient** services and to out-patient providers from 89% of cost to 83.6% of cost.
- **In-Patient Providers.** Reduces State Medicaid reimbursement for **in-patient** hospital-based providers from 100% of cost to 93.3% of cost.
- Reduces State Medicaid reimbursement for emergency department services from 100% of costs to 93.4% of MaineCare Allowable costs
- **Private Physicians.** Increases State Medicaid reimbursement to private physicians/providers from 57% of Medicare to 70% of Medicare reimbursements, beginning in February, 2010.
- **New Hospital Reimbursement System.** A new payment system to reimburse hospitals based on standardized rates that cover the costs for in-patient and out-patient procedures. The payment of hospital settlements will be eliminated. Hospital settlements have taken several years to pay. The new payment systems are known as DRGs [Diagnostic Related Groups] for in-patient services and APCs [Ambulatory Payment Codes] for out-patient services.
- **Pharmacy.** Reduces Medicaid spending for high-cost specialty drugs by purchasing them through preferred providers.
- **Electronic Medical Records.** This budget provides \$1.7 million of State funds to be matched with federal funds for implementing an electronic medical records system, by which treating physicians have access to all the information that it needed to treat a patient.

- **Comprehensive medical treatment system.** This budget provides for the creation of a “**patient-centered medical home,**” by which a patient can obtain comprehensive medical services from a treating physician/clinic. It is an expansion of the primary care system of health care.
- 

#### **Major Provisions of the 2010-2011 Biennial Budget Governing Public Safety**

- **Regional Communications Centers.** Provides \$13.1 million to establish four [4] regional communications centers and emergency dispatch services for police, fire, and emergency medical personnel at all levels.
- 

#### **Major Provisions of the 2010-2011 General Fund Budget Regarding Natural Resource Agencies and Policies**

**Department of Agriculture:** This budget:

- **The Dairy Stabilization Fund**, established to provide subsidies to farmers during periods of downward prices of milk, is protected, at least until June, 2010. No more than \$9,000,000 may be expended in subsidies from July 1, 2009 through November, 2009. No distribution of subsidies will occur in December 2009. In January recalculations will be made in regard to the level of subsidies for the period from January 2010 to June 30, 2010. The Administrator of the Milk Pool may reduce the level of subsidies only if projections total more than \$13.35 million for FY 2010.
  - All dairy farmers initially receive the small farm rate until they reach certain volumes of milk production. In the meantime, a task force will review the challenges faced by dairy farmers and make recommendations to the Legislature with respect to the payment system.

**Department of Conservation – Operations.** This budget:

- **Restores monthly meetings of the Land Use regulation Commission**, which would have been reduced to 6 meetings per year – a measure that would have a severe impact on the Unorganized Territory.
- Retains LURC’s East Millinocket Regional Office

- **Unorganized Territory – Growth Management.** Provides an additional \$200,000 of funding for the Unorganized Territory for two additional positions to manage growth in the Unorganized Territory.

**Department of Inland Fisheries and Wildlife.** This budget:

- Restores positions to IF&W in order to maintain the wildlife tagging program, the 3-day snowmobile registration program and other outdoor recreation programs.

**Department of Marine Resources.** This Budget:

- **Provides for three [3] marine scientist positions to monitor clam flats and shell fish areas for water quality and pollution, which will enable Maine shellfish harvesters and dealers to sell clams and shell fish out-of-state. A federal embargo on the sale of Maine shellfish will most likely be avoided.**

### **Other**

- **State Government Streamlining Committee.** This budget provides for the Appropriations Committee to serve as a streamlining Commission to streamline state government agencies and programs and make improvements in organizational efficiency. The Appropriations Committee will also review Teacher retirement and the actuarial unfunded liability borne by the State and determine whether it should be part of the essential programs and services portion to be funded through the Teacher Retirement Program.
- **Addresses the additional \$569 million revenue shortfall without any layoffs.**

## Positive Achievements in the Budget

### The 2010-2011 Biennial General Fund Budget as amended by the Appropriations Committee:

#### Education

- Increases the State share in General Purpose Aid by \$27 million to a total of \$983 million in FY 2009 and by \$18 million to a total of \$1.001 billion in FY 2010.
- K-12 penalties assessed on school districts that have not consolidated or voted against consolidation are placed in a separate account to be distributed under the approval of the Legislature following the November 2009 General Election.
- Provides funding for tuition stipends, fees, and operating costs for the Graduate School of Biomedical Sciences at the University of Maine.
- Provides funding for medical school scholarships for eligible Maine residents attending a program sponsored by the University of New England's school of Osteopathic Medicine, a joint projects between Tufts University and Maine Medical Center,
- Restores \$960,000 of funding for Adult Education

#### Health Care

- **Hospital settlements** are paid-up through 2007,
- **Provides for a new Medicaid payment system for hospitals** known as Diagnostic Related Groups and Ambulatory Payment Systems that pay hospitals based on officially established rates for services as the basis of reimbursements to hospitals. **Hospitals will no longer be owed settlements from the State, and the PIPS [prospective interim payments - based on estimated costs] will be eliminated.**
- **Critical Access Hospitals.** Increases from 101% of cost as provided in the original budget to 109% of cost, reimbursement to critical access hospitals.

- **Makes structural changes to Medicaid by:**
  - Reducing beds in the PNMI system and standardizing rates for Children’s PNMI’s into a 5 tiered system,
  - Streamlines the case management system,
  - Conforms durable medical equipment system to the Medicare limits and fee table,
  - Restructures the juvenile drug treatment programs
  - Increasing “Prior-Authorization” in children’s residential treatment, psychiatric hospitalizations, out-of-state hospitalizations, and adult mental-health PNMI’s
- Constrains MaineCare pharmacy costs through aggressive utilization management, and multi-state purchasing.
- **Third-Party Liability.** Provides for an aggressive recovery of private payor payments when Medicaid is the payor of last resort.
- **Patient-centered Medical Home initiative.** Provides funding to expand primary and preventative health care by offering more comprehensive primary care physician services to Maine residents, and by raising community physician reimbursements.
- **Children’s PNMI’s.** Reduces cuts proposed by the Governor to Children’s residential private non-medical institutions, residential mental retardation facilities,
- **Health Infonet.** Provides funding for Health Infonet that will receive significant federal matching funds to establish an electronic medical records system in Maine that will substantially improve the care and treatment of Maine residents.
- **Dirigo Health.** Provides for the continuation of Dirigo Health through June 2010, at which time, Dirigo Health will have fully paid back the Treasurers’ cash pool from which Drigo Health borrowed.

### **Natural Resources**

- **Preserves and creates greater opportunities for Maine’s shell fish industry.** Maine’s shellfish industry will not be sanctioned by the federal government, which threatened to prohibit the interstate sale of Maine’s shellfish. Three additional marine biologists will monitor Maine’s clam flats and shellfish areas for water quality and pollution.

- **Dairy Stabilization Fund.** Addresses the disposition of insufficient revenues in the Dairy Stabilization Fund and the payments to farmers in FY 2009 and FY 2010
- Maintains natural resource agencies' programs through increases in permit and license fees.
- **The Unorganized Territory is provided additional resources to deal with significant growth** in numbers of permits and licenses for development projects.
- Restores a number of positions eliminated by the Governor in the Department of Inland Fisheries and Wildlife to enable the agency to more effectively meet its mission and better carry-out such programs as tagging, and the enforcement of hunting and fishing rules and laws.

### **Corrections**

- Maine's jail-State prison system continues to be streamlined for greater efficiencies [less transporting of prisoners, creation of short-term holding facilities etc] and the threat of over-crowding is significantly reduced.

### **Judiciary**

- **An Independent Judiciary.** Establishes the Judiciary as an independent entity for budget purposes in the same way as the Legislature is treated in the Budget.
- Provides for a \$300,000 capital budget for repairs within the Judiciary's facilities [boilers and other needed repairs in courthouses, etc] that was not funded in the original budget.
- **Court House Rehabilitation and Construction.** Provides funding in the form of revenue bonds to rehabilitate and construct needed court facilities in Dover-Foxcroft, Augusta [both the Superior and District Courts] and in Machias. Increased judicial fees and General Fund revenues will be used to pay-down the revenue bonds.
- **Provides nearly \$1 million for Indigent Defense**

## **Public Safety**

- Provides additional funding for the Statewide Radio Communications Network
- Establishes four Regional emergency 911/Communications centers across the State.

## **Other**

- Provides for **greater enforcement in the collection of back taxes owed to the State of Maine** resulting in millions of additional dollars that will reduce the burden on Maine's taxpaying citizens.
- **Addresses the additional \$569 million General Fund revenue shortfall without layoffs.**
- **Future Structural Changes.** Provides for major structural changes in the future by
  - Pursuing a federal Medicaid waiver to undertake risk-based contracting whereby DHHS contracts with Schaller-Anderson and APS will guarantee savings in health care for the chronically ill, complicated health problems in the Medicaid population, and aggressive streamlining for eligibility purposes.
  - Directs the Appropriations Committee to study and recommend restructuring state government programs and agencies.